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IN THE

Supreme Court of the United States

OCTOBER TERM, 1946

No. 1180

BROOKS CLOTHING OF CALIFORNIA, LTD.,
Petitioner,

—against—

BROOKS BROTHERS,
Respondent.

BRIEF OF RESPONDENT IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI.

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BRIEF OF RESPONDENT IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI.

STATEMENT.

We are adding this brief statement of the case to supplement the statement of the petitioner.

FACTS.

The plaintiff Brooks Brothers is the oldest clothier in the United States. The business was founded in New York City in 1818 by Henry Sands Brooks. Ever since one or more of his descendants have been directly interested in the business. His great-grandson, Winthrop H. Brooks, is the present Chairman of the Board of Directors. The word "Brooks" has continuously been used as part of its trade marks and names. From 1818 to 1850 the firms of Henry S. Brooks and Son, Henry Brooks & Co., and H. D. H. Brooks &

Co., used the mark "Brooks". In 1850 the firm of Brooks Brothers was formed and in 1903 was incorporated under the same title. No one of the name of Brooks has ever been interested in the business of the defendant. During the year 1923 the predecessor of defendant, the firm of H. Greenberg and Company was formed and did business in Los Angeles under the style of Brooks Clothing Company. The firm was composed of four brothers, Harry, John, Emanuel and Albert Greenberg. In 1930 the firm was incorporated and these four Greenberg brothers succeeded to the business of said firm. In 1930, the same year, defendant knew of plaintiff (R. 809, 848, 849). In April 1933 the merchandising policy of defendant was changed (R. 764) and the new policy included higher priced suits and the addition of haberdashery and uniforms (R. 763, 776, 815). All of its expenditures in the modernization of its business have been with full knowledge of the business of plaintiff. Its new stores in better locations have been opened since 1930 (R. 137). In 1935 Harry Greenberg knew plaintiff was sending its sales representatives to Los Angeles (R. 983), and it was during this year that the improvements upon the store fronts of defendant began (R. 761, 812, 813). The defendant therefore, long before its business became substantial, learned that the use of Brooks in the clothing business might be likely to interfere with the old and well known name of plaintiff.

Sales by the predecessors of plaintiff in California under the trade-mark "Brooks Brothers" have been as early as 1850. As early as 1849 one of its predecessors advertised it had on hand a large stock of ready made clothing suitable for the California trade (R. 421, 963). A mail-order department has always been maintained and such sales to California residents have been continuous and continual (R. 398, 518). The record shows a constant increase in business in California under the mark. In 1930 it began sending its salesmen into California, and during the years 1930 to 1939 these sales totalled $436,077 (R. 516). In 1939 it opened

sales offices in Los Angeles and San Francisco; and from the former alone its annual sales are about $90,000 (R. 260).

During the years 1915 to date it has continuously advertised its Brooks Brothers clothing in magazines of national circulation (R. 1022-1051), since 1917 Christmas and other catalogues have been mailed throughout the United States (R. 518, 519, 520). By the year 1921 the business of respondent had reached such a position of prominence and reputation in the clothing industry that *Men's Wear*, a leading clothing publication, ran a series of unsolicited articles upon it and its long business history (R. 1058-1065); and in 1924 this periodical showed a picture of the overcoat worn by President Lincoln at the time of his assassination which bore the "Brooks Brothers" label of plaintiff (R. 419). The courts below held this long national use established a secondary meaning for the mark as well as priority of use in California.

In 1915 respondent registered "Brooks Brothers" under the "ten-year proviso" of the Act of February 20, 1905 and this certificate was renewed in 1935. In 1923 petitioner registered "Brooks" under said Act and on March 11, 1944 this certificate was cancelled upon petition filed by respondent. Thereafter this bill was filed in April 1944. The District Court decree found defendant guilty of trade-mark infringement and unfair competition and enjoined as to both. This was unanimously affirmed by the Ninth Circuit Court of Appeals. The opinion of the District Court will be found at R. 59-106; it is reported in 60 F. Supp. 442. The affirmance by the Circuit Court will be found at R. 1333; it is reported in 158 F. 2d 798. Other facts which we consider important will be referred to in our argument.

ARGUMENT.

This case does not involve any special or important reasons for the granting of the petition. All elements of trademark infringement and unfair competition have been shown by a preponderance of competent evidence. Additionally, the courts below applied law which is in full accord with the settled law of this Court and the state courts of California. Respondent has shown definite priority of use for its mark and has shown it is known by the nickname "Brooks", the use of this word by defendant being a direct simulation for identical goods, clothing.

We contend neither court placed undue emphasis upon the federal certificate of respondent. The Trial Judge in stating: "It confers substantial rights on registrants under it" (R. 67) stated further that, "Among the most important of these is 'to prohibit the use of it so far as to protect the owner's good will against the sale of another's product as his.' *Prestonettes, Inc.* v. *Coty,* 1924, 264 U. S. 359, 368." Moreover, the Trial Court pointed out that registration permits the recovery of damages without the strict proof required in unfair competition (R. 89) and in this regard cites the *Mishawaka* case of this Court (R. 89). Since damages were denied to respondent, and no appeal has been taken therefrom, this statement by the Trial Judge has no bearing on the present petition.

The Trial Judge also cites the case of *Thaddeus Davids Co.* v. *Davids Mfg. Co.,* 1914, 233 U. S. 461 (R. 93, note 13). There this Court interpreted the rights acquired by registration of a personal or family name, such as Brooks under the ten-year proviso of the Act; and in agreeing that C. I. Davids should be enjoined from using his own name, stated the exclusive "use as trade-marks for the stated period was deemed in the judgment of Congress a sufficient assurance that they had acquired a secondary meaning as the designation of the origin of ownership of the merchandise to which they were affixed

* * *. The use of the name in this manner was a mere simulation of the complainant's mark which it had duly registered; it constituted a 'colorable imitation' within the meaning of the Act." Hence, it is clear that Congress had the power to legislate upon the substantive law of trade-marks. *Rossman* v. *Garnier,* 211 Fed. 401, 405; *United States* v. *Steffens* (Trade-Mark Cases), 100 U. S. 82, 92. The registration by respondent under the ten-year clause conferred upon it statutory protection of its surname which it did not have at common law; and there was no error in the courts below so stating. Notwithstanding, the Trial Judge placed no importance upon the registration with reference to the basic rights of respondent. To the contrary, it was stated: "Both in the law of trade-mark and of unfair competition, the basic right of plaintiff derives from long use of the word 'Brooks' in its original and secondary meaning" (R. 78). "Here, as the evidence shows, through long use, the word 'Brooks' has become identified with clothes sold by the plaintiff" (R. 73).

The *Davids* case is clear authority that respondent was entitled to full and absolute injunctive relief, rather than mere qualified relief. Here petitioner has never had any one connected with its business bearing the name Brooks. The *Davids* case therefore applies with even greater force. As no one connected with petitioner has ever borne the surname, the right of respondent in and to this trade-mark is absolute and exclusive. *Howe Scale Co.* v. *Wyckoff,* 198 U. S. 118, 49 L. Ed. 972, 25 S. Ct. 609; *Brown Chemical Co.* v. *Meyer,* 139 U. S. 540, 35 L. Ed. 247, 11 S. Ct. 625; *McLean* v. *Fleming,* 96 U. S. 245, 24 L. Ed. 828. The rule is that while against persons bearing a different name the right of a manufacturer in his name is absolute and exclusive, as against persons bearing the same name such exclusiveness may not be sustained. *L. E. Waterman Co.* v. *Modern Pen Co.,* 235 U. S. 88, 59 L. Ed. 142, 35 S. Ct. 91; *Herring-Hall-Marwin Safe Co.* v. *Hall's Safe Co.,* 208 U. S. 554, 52 L. Ed. 616, 28 S. Ct. 350; *American Trading Co.* v. *H. E. Heacock Co.,* 285 U. S.

247, 76 L. Ed. 740, 52 S. Ct. 387; *Stephano Bros., Inc.* v. *Stamatopoulos,* C. C. A. 2, 1916, 238 Fed. 89, 91; *Durable Toy & Novelty Co.* v. *Chein & Co.,* C. C. A. 2, 1943, 133 F. 2d 853, affirming 47 F. Supp. 167, certiorari denied, 320 U. S. 211.

The cases petitioner cites are not to the contrary. The *Jacob Siegel* case (P.* 5) has no bearing. The Federal Trade Commission required complete discontinuance of "Alpacuna" because the clothing contained no vicuna fibers. This Court believed deception might have been avoided by some restrictive use and therefore remanded the case. There the petitioner was the only user of "Alpacuna" and the deception was in use of the mark itself, whereas here the inherent deception lies in the use of "Brooks" by two unrelated clothiers, with resultant injury and deception to the public and injury to respondent.

In both courts below petitioner requested that the decree be modified to permit it to use "Brooks" in some qualified form. After oral argument it applied to the District Court for modification of the proposed injunction to permit its use of "Brooks California" (R. 110-119). Before denying this request the Trial Judge stated "that I have read and studied carefully the new arguments, and given thorough consideration to the views presented * * * The opinion has been reread twice, at least. Once word for word, when I read proof for the official report of the case for Federal Supplement. I am satisfied with the conclusions reached, as I feel they achieve substantial justice. And I find no reason for modifying the judgment as asked by either side" (R. 126). After the Circuit Court on January 9, 1947 entered its per curiam opinion affirming the judgment (R. 1333), petitioner presented on February 7, 1947 to that court a request for a rehearing wherein it again asked that the decree be modified as to permit a restrictive use by petitioner of the "Brooks" trade-mark. Again this relief was denied (R.

* The brief of petitioner is designated by the letter "P."

1335). It follows that, unlike the *Jacob Siegel* case, here both courts below gave full consideration to the question of a modified decree.

Petitioner has cited several cases in which it was held that notations had become generic and were therefore open for fair use by all. In the *Shredded Wheat or Kellogg* case (P. 2) this Court held since the patent upon the pillow-shaped cereal biscuit had expired, the words were free for use by others since "sharing the good will of an article unprotected by patent or trade-mark is the exercise of a right possessed by all." In the *Selchow* case the Court found that the word "Parcheesi" was generic of the game originating in India and defendant was at liberty to use the word "Parchesi" for such a game.

In the *Rectanus* case (P. 3) the defendant in good faith had built up a large business in territory not previously occupied by the original user, whereas here respondent did a mail order business in California seventy-five years prior to any use of "Brooks" by petitioner. In the *Emerson* case (P. 3) the plaintiff sold electric fans, motors, generators, switches, transformers, coffee mills, pumps, lathes and other motorized electrical equipment under "Emerson"; and later Emerson, the defendant, began using his *own name* for radios, phonographs and television sets, products not sold by plaintiff. Since neither the goods nor the channels of trade were the same or even related, relief was denied. Here both are the same. Nor is the *Johnson* case (P. 6) in point. Defendant used his *own name* Johnson for cleaning fluid whereas plaintiff had previously used his own name Johnson for wax. As the goods were not the same and both parties were using their own names, a qualified decree issued permitting defendant to use Johnson with the word "Cleaner" thereafter in the same size type and his full trade name in equally large type.

The decision of this Court in the *Armstrong* case (P. 2, 8) supports our position that the right of petitioner to absolute relief at common law, irrespective of the federal registration, is as great as under the statute. This Court

stated: "Here we have a secondary meaning * * * This establishes, entirely apart from any trade-mark act, the common law right * * * to be free from the competitive use of these words as a trade-mark or trade name * * * the remedy for unfair competition is that given by the common law." Here respondent and its predecessors have used Brooks in one form or another for at least fifty-two years before the first trade-mark statute of 1870; and this fact, we submit, entitles it to full protection notwithstanding the added protection it secured through registration under the trade-mark statute.

There is no merit in the contention of petitioner that, with respect to the unfair competition phase of the case, the courts below did not apply the local law; and there is no merit to its contention that had the local law been applied, qualified or no relief at all would have been decreed. The courts below did apply the law of the California state courts. The decision, affirmed by the Circuit Court, states (R. 67), "the courts, in both trade-mark and unfair competition cases, have held that where the dominent (sic) portion of a trade-mark, trade name or business has become identified in the mind of the public with the first user, he will be protected in the use of the name, even against a newcomer having the same surname," and in support thereof, among others, the Court cites the California decisions in *Hoover* v. *Groger; Wood* v. *Peffer; Barnes* v. *Cahill; American Philatelic Society* v. *Claibourne,* and *Academy of Motion Picture Arts and Sciences* v. *Benson* (R. 94, note 17). The Court also stated: "Under the law of California, unfair competition may exist in the absence of fraud. See, California Civil Code, Section 3369; *Wood* v. *Peffer,* 1942, 55 C. A. (2) 124; *Pohl* v. *Anderson,* 1936, 13 C. A. (2) 241" (R. 99, note 29). On the question of the applicability of local law to the unfair competition phase of the case, the Trial Judge after stating this "phase of the case was decided more on the basis of federal than California decisions" (R. 127), continues in the same paragraph by stating "it is possible that the higher courts will hold that the California law would have war-

ranted the granting of broader relief to the plaintiff" (R. 127).

The petitioner, throughout its brief, erroneously argues its use of "Brooks" has been without fraud or misrepresentation. To the contrary, it has represented its business as that of respondent and has passed of its uniforms as those of respondent. In a radio announcement (Pltf.'s Ex. 14, R. 1115) it represents itself as having sold uniforms during World War I, whereas, in fact, it was not in business at that time and "the only Brooks which supplied such uniforms was the plaintiff" (R. 82). The conduct of the petitioner as found by the courts herein has not been such as to entitle it to exceptional consideration, and there seems to be no basis for seeking a review of the concurrent finding that petitioner unfairly competed. As often stated by this Court, its well settled rule is not to disturb concurrent findings of fact by two courts in the absence of very exceptional showing of error. *Baker* v. *Schofield,* 243 U. S. 114, 118; *Williams Mfg. Co.* v. *United Shoe Machinery Corp.,* 316 U. S. 364, 367; *Goodyear Tire & Rubber Co., Inc.* v. *Ray-O-Vac Co.* (Feb. 28, 1944), 88 L. Ed. 475, 476; *Tennessee Coal, Iron & Railroad Co.* v. *Muscoda Local No. 123* (March 27, 1944), 88 L. Ed. 610, 618.

The recent decision of the California state court in *Edward A. Winfield* v. *Emerson Winfield Charles,* 77 A. C. A. 80, 1946, 2d Dist., Div. 2, clearly shows that the local law of California is the same as the law applied by the courts below. In that case an absolute injunction issued against the use of a surname not that of the newcomer, and the Court stated: "It is unnecessary * * * to show that any person has been confused or deceived. It is the likelihood of deception which the remedy may be invoked to prevent. * * * 'It is sufficient if the injury to the plaintiff's business is threatened, or imminent to authorize the court to intervene to prevent its occurrence' * * * 'The universal test question is whether the public is likely to be deceived.'" Additionally, the denial to petitioner of a qualified injunction is

in keeping with a prior decision that has come before this Court from the Ninth Circuit. In *Tillman & Bendel* v. *California Packing Corporation,* 63 F. 2d 498, certiorari denied 290 U. S. 638, 54 S. Ct. 55, 78 L. Ed. 498, the use of the mark "Del Monte" with the name of the manufacturer placed in smaller type beneath did not discharge a duty to avoid confusion. The California state court cases cited by petitioner are not to the contrary. The *Modesto* (P. 17) and *Eastern-Columbia* (P. 17) cases are clearly distinguishable. Both involved the highly descriptively geographic terms "Modesto" and "Western-Columbia", and the California state courts applied the rule that anyone may fairly label his goods to designate their place of manufacture. In the *Dodge* case (P. 17) the California state court expressly recognized the rule that an absolute injunction will issue against use of a family name where such relief is "absolutely essential to prevent a continuance of the fraud and the ensuing damage" (884). There Dodge sold all his stock in the plaintiff company, and the court held this did not divest the corporation of the right to continue to use the family name Dodge in its business, nor could he sell to still another corporation the right to use his name. Here the principals of petitioner are Greenbergs, not Brookses. No one of the name of Brooks has ever been even a stockholder in the corporate petitioner. It is hard to see how petitioner can derive any comfort from this case.

The facts of the *Waltham Watch* case (P. 23) are entirely different, it being suffice to state that plaintiff had done business so long in Waltham, that the public came to call its products "Waltham watches". Later defendant opened a rival factory in Waltham and placed "Waltham" on the dial of the watches. To protect the secondary meaning plaintiff had acquired but at the same time to permit the defendant to state his watches were made in the City of Waltham, the court forbade the use of "Waltham" on the dials or in advertising but allowed defendant to put "Waltham, Mass." inside his watches where "the wheels go round," thus informing watch-stores of his address. The

present case creates no such difficulties. The *Eastern Wine* case (P. 24) is no more in point. The court found "Chateau" was *publici juris* for wine and hence plaintiff as prior user of "Chateau Martin" could not enjoin use of "Chateau Montay". There was neither a showing of confusing similarity in the marks nor that purchasers had been confused. The quotation petitioner sets forth (P. 24) from this case does not apply here. Finally, the citation of the *Socony-Vacuum* case (P. 23) appears no more relevant than the others. Defendant had used many designs of flying horses but none simulating the flying red horse of plaintiff until after plaintiff has begun to enter the territory in which defendant did business. The court held this use of a horse design which was indistinguishable from the symbol of plaintiff unfair competition and absolutely enjoined its use.

The cases which petitioner cites in support of its contention that the unfair competition phase of this case should have been decided by local law, are not conclusive. The *Pecheur* case (P. 7) is not in point as there this Court found the trade-mark in issue had not been registered under the Federal Act but rather under the Copyright Law, and the case was remanded to apply the local law, which this Court held was applicable to unfair competition and common law "trade-mark infringement". Here a registered mark is involved; and, as stated, the local law was applied by the Trial Judge to the unfair competition phase of the case. The *Fashion Originators* case (P. 7) was not a trade-mark case involving a registered mark, rather it was held that the local law applies where an organization attempts to boycott its member retailers who copy dress styles uncopyrighted by the originators but "filed" with the organization.

Cases arising out of unfair competition are analogous to those which arise out of violations of trade-marks, and are subject to the same rules. *Lawrence Mfg. Co.* v. *Tennessee Mfg. Co.*, 138 U. S. 537, 11 S. Ct. 396, 34 L. Ed. 997. In *Erie R. Co.* v. *Tompkins*, 304 U. S. 64, 82 L. Ed. 1188, 58 S. Ct. 817, neither a registered trade-mark under the federal

law was involved nor was it shown that the acts complained of directly affected interstate commerce; and, hence, it was held the local, state law applied. Here respondent is owner of a certificate granted under the federal law and petitioner (R. 801, 802, 803, 839, 871) and respondent do interstate business. Accordingly, here the action for unfair competition is predicated upon acts affecting or involving the use in interstate and foreign (R. 803, 871) commerce of a trademark registered under federal law, and the rights and liabilities of the parties are governed by federal rather than state law; or, at least, the Trial Judge in this case was entitled to exercise an independent judgment in determining questions of substantive rights and was not bound to follow strictly the decisions of the state courts. *Philco Corp.* v. *Phillips Mfg. Co.*, C. C. A. 7, 133 F. (2d) 663; see also § 92, 52 Am. Jur. 573, 148 A. L. R. 125, 164. However, since the Trial Judge did apply and follow the decisions of the state courts of California, the contentions of petitioner, that the local law was not applied and had it been applied a different result would have been reached, are wholly unfounded.

Upon the question of laches the courts below applied the law of this Court, of the Ninth Circuit Court and of the state courts of California. The rule is that laches is a question of fact addressed to the sound discretion of the Trial Judge and his decision will not be disturbed unless it is so clearly wrong as to amount to an abuse of discretion. *The Kermit*, C. C. A. 9, 76 F. 2d 363, 367, certiorari denied, *Lamborn* v. *American Ship & Commerce Nav. Co.*, 296 U. S. 581, 56 S. Ct. 93, 80 L. Ed. 411. Here there are two concurrent findings of the fact that any delay in the bringing of this action was not sufficient to bar the injunction but was sufficient to bar damages and profits to respondent. Notwithstanding, petitioner now argues that since respondent should have had knowledge of the activities of defendant, this is equivalent to actual knowledge. This is without merit. The rule of this Court is that acquiescence and waiver are always questions of fact and there can be neither without actual

knowledge. *Pence* v. *Langdon,* 99 U. S. 578, 581, 25 L. Ed. 420; *Dickerson* v. *Colgrove,* 100 U. S. 578, 580, 25 L. Ed. 618; *Wiser* v. *Lawler,* 189 U. S. 260, 23 S. Ct. 624, 47 L. Ed. 802; *Standard Oil Co. of Colorado* v. *Standard Oil Co.,* C. C. A. 10, 1934, 72 F. 2d 524, 527, certiorari denied 56 S. Ct. 216. The rule of the Ninth Circuit Court is the same. *California Packing Corporation* v. *Sun Maid Raisin Growers of California,* C. C. A. 9, 1936, 81 F. 2d 674. Under the state law of California acquiescence is where a person *knows* that he is entitled to impeach a transaction or to enforce a right and neglects to do so for such a length of time that under the circumstances of the case, the other party may fairly infer that he has waived or abandoned his right. *Scott* v. *Jackson,* 89 Cal. 258, 262.

The rule of this Court is that mere delay cannot defeat the remedy by injunction in support of the legal right, unless it has been continued so long and under such circumstances as to defeat the right itself. *Menendez* v. *Holt,* 128 U. S. 514, 523. This Court will not, in general, refuse an injunction on account of delay in seeking relief where the proof of infringement is clear, even though the delay may be such as to preclude the party from any right to account for past profits. *McLean* v. *Fleming,* 96 U. S. 245, 253.

These two decisions of this Court have been followed by the Ninth Circuit Court in this and in other cases. *Matzger* v. *Vinikow,* C. C. A. 9, 1927, 17 F. 2d 581, 583; *Golden West Brewing Co.* v. *Milonas & Sons,* C. C. A. 9, 1939, 104 F. 2d 880, 881-2; *Fairbank* v. *Lukel,* C. C. A. 9, 1902, 116 Fed. 332, 333.

The state courts of California follow the federal law and the law of this Court. In *Hall* v. *Holstrom,* 106 Cal. App. 563, 289 Pac. 668, it was stated, "laches may, under some circumstances, bar an accounting for past profits, but under no circumstances will it bar an injunction against a further continuance of the wrong." To the same effect are *Schmidt* v. *Brieg,* 100 Cal. 672, 682, and *Nolan Bros. Shoe Co.* v. *Nolan,* 131 Cal. 271, 63 Pac. 480. It follows that the statements by petitioner that if California law is applied it must

be held laches bars all relief (P. 16) and that it must be held that respondent would have been charged with use by petitioner long before 1939 (P. 17), are entirely contrary to the reported decisions of the state courts of California.

The California state court decision cited by petitioner did not concern laches. The opinion in the *Barthelmess* case (P. 17) was written by Judge Yankwich, who was the Trial Judge in this case. In that case it was held that the *bona fides* of a purchaser of a negotiable instrument is not affected by mere knowledge of facts sufficient to put a prudent person on inquiry. The *Dolch* case (P. 17) is even less relevant. It involved the wrongful taking of gold from the land of another. Posts showing ownership in plaintiff were on the land at the time of the trespass; and one of the roads defendant built ran within fifty feet of one of these. The Court held defendant had constructive notice that the land was owned by plaintiff. Neither case has anything to do with laches.

Petitioner argues (P. 16) that the rule of this Court in the *Menendez* case and of the Ninth Circuit Court in the *Golden West Brewing* case should not apply here as there has been no fraud upon the part of petitioner; and, in support of this, it cites the *Proctor & Gamble* case (P. 17). In that case the Court expressly held the *Menendez* case did not apply as in the *Menendez* case "there was a bodily appropriation of the trade-mark by the defendant constituting actual and continuing fraud." Here petitioner has bodily appropriated "Brooks" and in its advertising it falsely states it is the same Brooks that sold uniforms during World War I. The other cases petitioner cites are no more in point.

The case of *Dwinell-Wright Co.* (P. 6) was clearly a case of acquiescence rather than mere laches. Plaintiff used "White House" for coffee and the defendant later used the same mark for evaporated milk. Plaintiff in 1920 knew a predecessor of defendant was using the mark and in 1928 even suggested that the two marks be advertised together in A. & P. Stores. This was done, and as late as 1940 plaintiff

for the first time protested; and, still later, brought suit. Relief was denied. The *Saxlehner* case (P. 18) involved infringing use in this country of "Hunyadi" for mineral water, and with full knowledge for ten years by the plaintiff and originator in Hungary. Since the plaintiff was attempting to protect his mark in his native land, this Court held he was justified in not suing here; and, since he brought suit here as soon as he was successful in Hungary, there was not such laches as would bar recovery of all profits made by the fraudulent infringer here. It is hard to see how petitioner can gain any comfort from this case.

The *Knights of Pythias* case (P. 18) was not strictly a trade-mark action as the parties were fraternal organizations and sold no trade-marked goods. This Court found "the field of operation of the orders being absolutely different," (251). The case has no bearing on the issues here involved. The *Valvoline* case (P. 18, 20) reveals that defendant had built up with full knowledge of plaintiff a large national business under "Havoline" which it had extensively advertised. The question of laches was moot as the Court stated: "* * * when I heard 'Havoline' * * * it would not suggest 'Valvoline' to me." It also stated (194, 195): "Where a trade-mark is bodily appropriated, as in Menendez v. Holt, the courts will grant injunctive relief, although in some instances denying an accounting * * * There are cases where delay is excusable * * * because a person unfamiliar with the subject-matter is ignorant of his rights * * *." The *Old Lexington* case (P. 19) did not involve injunction proceedings. Rather it was a cancellation of a trade-mark registration. Since plaintiff knew of use of the mark by defendant for more than fifteen years relief was denied.

The *France Milling* case concerned use by defendant of "Gold Medal" for wheat flour after use for twenty years by plaintiff of the same mark for prepared pancake and buckwheat flour. Defendant counter moved against plaintiff to secure a preliminary injunction upon the ground plaintiff for over twelve years purchased flour of defen-

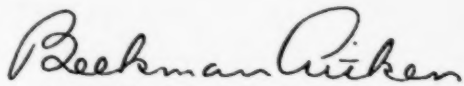
dant and knew of its use. The motion of defendant was denied since it knew of the prior use by plaintiff, but defendant was permitted to continue to use the mark for the wheat flour, as the court considered the pancake and buckwheat flours "in a class by themselves." Since here both parties sell clothing and the courts below found plaintiff knew of defendant's use as recently as 1939, the case is not applicable. The *French Republic* case (P. 20) was a case of acquiescence rather than mere laches. The French proprietors of "Vichy" for mineral water for twenty-five years permitted the defendant and others to sell various artificial waters everywhere under the name of Vichy. This Court held that knowledge of these infringements were to be presumed from their notoriety and since the plaintiff had allowed the name to become general and indicative of the character of the water, relief was denied. Finally, the *Whittmore* case (P. 20) was also a case of acquiescence rather than mere laches. Both parties for twenty years and in and about the same City of Boston sold the same product, shoe polish, under the same mark "Superb". As the court, in addition, found that priority of use was in doubt, plaintiff was not entitled to relief.

Any claim by petitioner that respondent has unduly delayed is far off-set by the fact petitioner knew of respondent and its business when the petitioner was incorporated in 1930. Laying aside all controverted issues, the petitioner, long before its business became substantial, learned that the use of "Brooks" in the clothing business would be likely to interfere with the old and well known name of respondent. Thereafter it went on at its peril, even though its original purpose may have been innocent. *R. B. Davis Co.* v. *Davis*, C. C. A. 2, 1935, 75 F. 2d 499, 500 (Judge Learned Hand).

CONCLUSION.

This petition should be denied as it presents no questions other than questions of fact already determined by both the District and Circuit Courts, and without conflict to the decisions of this Court; and, upon the unfair competition phase of the case and the issue of laches, there is no conflict with the decisions of the state courts of California. This Court is respectfully urged to affirm these factual findings of both courts below and to deny this petition.

Respectfully submitted,



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